COASTAL CONSERVANCY

Staff Recommendation December 6, 2018

LOS ANGELES MARITIME INSTITUTE SWIFT OF IPSWICH RESTORATION

Project No. 06-079-01 Project Manager: Sam Jenniches

RECOMMENDED ACTION: Authorization to disburse up to \$200,000 to the Los Angeles Maritime Institute to augment a Conservancy grant authorized on October 5, 2006 to restore the tall ship *Swift of Ipswich* for use as a waterfront attraction and a sailing classroom in Los Angeles County

LOCATION: Port of Los Angeles, Los Angeles County

PROGRAM CATEGORY: Urban Waterfront Restoration and Coastal Education

EXHIBITS

Exhibit 1: Project Map

Exhibit 2: <u>Project Conceptual Design</u>

Exhibit 3: October 5, 2006 Staff Recommendation

Exhibit 4: Project Letters

RESOLUTION AND FINDINGS:

Staff recommends that the State Coastal Conservancy adopt the following resolution pursuant to Section 31119 and Sections 31300 *et seq.* of the Public Resources Code:

"The State Coastal Conservancy hereby authorizes the disbursement of an amount not to exceed two hundred thousand dollars (\$200,000) to the Los Angeles Maritime Institute ("the grantee") to augment a Conservancy grant authorized on October 5, 2006 to restore the tall ship *Swift of Ipswich* for use as a waterfront attraction and a sailing classroom in Los Angeles County.

Prior to disbursement of funds, the grantee shall submit for the review and written approval of the Executive Officer of the Conservancy (Executive Officer) the following:

- 1. A detailed work program, schedule, and budget.
- 2. Names and qualifications of any contractors to be employed in carrying out the project.
- 3. A plan for acknowledgement of Conservancy funding.

4. Evidence of the grantee's receipt of all other funding necessary for completion of the project."

Staff further recommends that the Conservancy adopt the following findings:

"Based on the accompanying staff report and attached exhibits, the State Coastal Conservancy hereby finds that:

- 1. The proposed authorization is consistent with Chapter 3 of Division 21 of the Public Resources Code, regarding coastal education for children in grades Kindergarten through 12. The proposed authorization is also consistent with Chapter 7 of Division 21 of the Public Resources Code regarding Urban Waterfront Restoration.
- 2. The proposed project is consistent with the current Conservancy Project Selection Criteria and Guidelines.
- 3. The Los Angeles Maritime Institute is a nonprofit organization organized under section 501(c)(3) of the U.S. Internal Revenue Code, and whose purposes are consistent with Division 21 of the Public Resources Code."

PROJECT SUMMARY:

Staff recommends disbursement of up to \$200,000 to the Los Angeles Maritime Institute (LAMI) to augment a previously authorized Conservancy grant of \$200,000 to restore the tall ship *Swift of Ipswich* for use as a waterfront attraction and a sailing classroom in Los Angeles County. This project consists of restoration of the historic 70-foot topsail schooner *Swift of Ipswich (Swift)* to provide a waterfront attraction in the Los Angeles Harbor and to serve as a vessel for LAMI's educational programming for disadvantaged Southern California youth known as the TopSail Youth Program. Built in 1938, the *Swift* was purchased by the LAMI in 1992 to serve the TopSail Youth Program. The *Swift* was in service for 14 years, before being retired due to the effects of aging and disrepair. LAMI began restoration in 2006, however, the project was put on hold due to multiple issues as described in the *Project History* section below.

The grant augmentation will enable the grantee to resume and complete restoration of the *Swift* and place it back into service. The remaining restoration work that will be completed includes deck outfitting, engine systems connections, ground tackle replacement and installation, hull restoration including ballast installation, interior outfitting, and installation of spar and rigging. The final step will be issuance of a Certificate of Inspection from the United States Coast Guard which will allow the *Swift* to return to commercial service and support LAMI's growing educational programs.

When the restoration of the *Swift* is complete, she will be used at least 200 days a year for the next 20 years to help fulfill the growing demand of LAMI's programs. An experienced crew of volunteers will assist with the reconstruction.

The TopSail Youth Program and the recent Conservancy funded Explora La Costa program have provided quality learning experiences for over 65,000 young people who have sailed on LAMI's vessels over the past 26 years. Many of these children had never even seen the ocean, let alone sailed upon it. LAMI volunteers who crew and teach aboard the ships have helped many students overcome negative patterns of behavior by treating them with dignity, respect and confidence, and by encouraging them to work in a collaborative manner. The Irving Johnson and Exy Johnson, both 111-foot brigantines, are the tall ships currently used by LAMI. Sailing aboard one of these larger ships is most appropriate for older students within the seventh to ninth grade range. The smaller *Swift* is well suited for smaller and younger groups within the fourth to seventh grades. In the fiscal year concluding June 30, 2018 LAMI's programs served 7,104 students.

History of the Swift and LAMI

In 1938, William Albert Robinson ordered the construction of the 70-foot topsail schooner, the Swift of Ipswich, to be modeled after an earlier *Swift*, an American made brig first noted by the British Admiralty in 1778 when it sailed into the Deptford Dock in London. The *Swift* was built by experienced Essex County shipwrights, men who had worked on famous Gloucester racing and fishing vessels. Some years later, the *Swift* was purchased by the actor James Cagney and his brother, commencing a successful Hollywood film career as an historic ship. In 1992, Captain Jim Gladson, a retired science teacher, realized a life-long dream by founding LAMI and the TopSail Youth Program to meet the needs of a large community of under-served youth in Southern California. The *Swift* was in service with the Program for 14 years, but was retired because of needed repairs.

Site Description: LAMI is headquartered in the Los Angeles Harbor in San Pedro. LAMI operates the TopSail Youth Program out of its office at Berth 73 and restoration of the *Swift* is taking place at LAMI's adjacent boat yard. LAMI currently uses two ships for its program: the two 111-foot brigantines, the Irving Johnson and Exy Johnson. LAMI used the 70-foot *Swift* for the TopSail Youth Program for many years but the ship has fallen into disrepair. Designed to replicate a tall ship of the 1770's, she is a beautiful ship with nine sails set on 14 spars and a figurehead bow. All three ships used by LAMI are kept at the Los Angeles Harbor, providing a scenic attraction for visitors to the waterfront, and educational and public access opportunities during tall ship festivals.

Grantee Qualifications: In addition to this grant, the Los Angeles Maritime Institute has worked on two other grants with the California Coastal Conservancy. Most recently, LAMI has been awarded Explore the Coast Grants for its TopSail Program. These projects demonstrated that LAMI has the expertise to execute the projects and administer the grant process.

The Executive Director, Bruce Heyman, has a long history of working with the Coastal Conservancy both during his tenure with LAMI and as a Project Manager in charge of the construction of a new tall ship, the *San Salvador* while working with the Maritime Museum of

San Diego. Mr. Heyman demonstrated his ability to complete very large and complex projects while working effectively with Conservancy staff.

Project History:

In 2006, the Conservancy awarded a grant of \$200,000 to LAMI to restore the *Swift*, then characterized as an approximately \$700,000 retrofit that would allow the *Swift* to return to service. The *Swift* was brought into Gambol Ship Yard in Long Beach in 2006 to begin the restoration work. Upon deconstruction of various elements of the vessel in preparation for restoration, LAMI determined that the restoration project would be much larger in scope than previously believed. In 2008, LAMI estimated that the project budget would increase to \$2,800,000 and that the schedule would need to be extended. By 2010, restoration work was progressing slowly and LAMI had conducted approximately 70% of the restoration work, but further restoration work stalled. In January of 2013, LAMI restructured and hired an interim Executive Director to identify new funding to resume restoration work, and to initiate a search for a permanent Executive Director. In the summer of 2013, LAMI moved the *Swift* to a municipal lot in Chula Vista, California to resume restoration and then encountered another setback. The investigation into the sinking of the HMS Bounty replica in Hurricane Sandy changed the United States Coast Guard ship stability regulatory requirements for vessels in commercial service.

LAMI again restructured in 2015 under its new Executive Director, Bruce Heyman, to diversify its funding sources in order to provide a sustainable business model moving forward. In December of 2017, LAMI moved the *Swift* back to their new Boat Restoration Yard adjacent their headquarters in the Port of Los Angeles and subsequently began the fundraising necessary to complete the restoration of the *Swift*. The proposed augmentation of this previously authorized Conservancy project will allow LAMI to access challenge grant funding and fully fund the project. LAMI has updated the schedule and budget to complete the restoration.

The Coastal Conservancy has a long history of supporting Tall Ships, both as educational vessels and by sponsoring expositions that celebrate maritime history throughout California. Since 2002 the Conservancy has spent over \$3.1 million in loans and grants supporting tall ships projects, such as ship restoration and replica construction including the *San Salvador* in San Diego and the *Matthew Turner* in the San Francisco Bay Area.

PROJECT FINANCING

Coastal Conservancy	\$200,000
John and Randi Sanger Challenge Grant	\$200,000
Anonymous Private Commitment	\$190,260

Project Total \$590,260

The anticipated source for the Conservancy funds is a FY 2016 appropriation from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, Public Resources Code Section 75001 et seq. (Proposition 84). Proposition 84 authorizes the Conservancy's use of these funds to promote access to and enjoyment of coastal resources through projects undertaken pursuant to the Conservancy's enabling legislation (Division 21 of the Public Resources Code). The proposed project will promote access to and enjoyment of the Los Angeles County coast by restoration of an historic tall ship that will enhance public enjoyment of the waterfront and ocean, and enable coastal educational programs for youth. The project is consistent with Division 21 of the Public Resources Code, as described below. Accordingly, the proposed project is an appropriate use of Proposition 84 funds.

John and Randi Sanger have issued a challenge grant to LAMI. Provided LAMI can secure funding in the amount of \$200,000 by December 15th, 2018, John and Randi Sanger will match that \$200,000 with a further \$200,000.

An anonymous donor has also committed \$304,000 to the project. Of those funds, \$190,260 is committed to the proposed project, with the remainder to be used for final start-up costs (crew and finish outfitting for educational service.)

The project financing set forth above is for the work needed to finish the partially-completed project. Previous to this proposed grant augmentation, LAMI spent \$2,350,000 on the project. Thus, the entire project has a cost of \$2,940,260, of which the Conservancy's contribution (including the proposed augmentation) will be \$400,000.

CONSISTENCY WITH CONSERVANCY'S ENABLING LEGISLATION:

The proposed project will be undertaken pursuant to Section 31119 of Chapter 3 and Sections 31300 *et seq.* of Chapter 7 of Division 21 of the Public Resources Code.

Pursuant to Section 31119, the Conservancy may award grants to nonprofit organizations for the purposes of educational projects and programming for pupils in kindergarten to grade 12, relating to the preservation, protection, enhancement, and maintenance of coastal resources. The proposed augmentation to the Los Angeles Maritime Institute enhances such educational programming by facilitating the expansion of its TopSail Youth Program.

Pursuant to Sections 31300 *et seq.*, the Conservancy may award grants to nonprofit organizations for the restoration of urban coastal waterfront areas and for the cost of providing public areas and facilities pertinent to urban waterfront restoration. Additionally, the Conservancy may award grants for activities that are compatible with environmental education related to coastal, ocean and watershed resources as well as maritime history. The proposed project will restore a facility that provide public access on the urban waterfront, and that will provide extensive opportunities with urban waterfront educational programming.

CONSISTENCY WITH CONSERVANCY'S <u>2018-2022 STRATEGIC PLAN</u> GOAL(S) & OBJECTIVE(S):

Consistent with **Goal 2, Objective D**, the proposed project funds restoration of dilapidated and unsafe facilities to increase and enhance coastal recreational opportunities and enable people to enjoy natural, cultural, and historical resources.

Consistent with **Goal 3, Objective B**, the proposed project implements a waterfront revitalization project that enhances cultural resources.

Consistent with **Goal 4, Objective B**, the proposed project supports the development of interpretive or educational displays and exhibits related to coastal, watershed, and ocean-resource education, maritime history, and climate-change.

CONSISTENCY WITH CONSERVANCY'S PROJECT SELECTION CRITERIA & GUIDELINES:

The proposed project is consistent with the Conservancy's Project Selection Criteria and Guidelines, last updated on October 2, 2014, in the following respects:

Required Criteria

- 1. **Promotion of the Conservancy's statutory programs and purposes:** See the "Consistency with Conservancy's Enabling Legislation" section above.
- 2. Consistency with purposes of the funding source: See the "Project Financing" section above.
- 3. **Promotion and implementation of state plans and policies:** CA Wildlife Action Plan: The *Swift of Ipswich* educational tall ship will fulfill the California Wildlife Action Plan (2015) by providing "Outreach and Education" programs that inspire "attitudes, and values [for individuals] to become better stewards of natural habitats and resources" (p. 404 & 4-14). The restored vessel will provide conservation curriculum that educates youth about wetlands, estuaries, marine life, and conservation efforts. In addition, these on-the-water educational programs serve youth from urban and suburban areas that meet another objective of the Wildlife Action Plan (p. 4-14, 2015).
- 4. **Support of the public:** The proposed project is supported by State Senator Steven Bradford, State Assembly Member Patrick O'Donnell, Supervisor Janice Hahn, City Councilman (LA 15th District) Joe Buscaino, the Wilmington Rotary, Marathon Oil, Port of Los Angeles Environmental Division, Tall Ships America and Dr. Ray Ashley of the Maritime Museum of San Diego.
- 5. **Location:** The proposed project is located within the coastal zone of the City and County of Los Angeles.

- 6. **Need:** If the project is awarded Conservancy funding by December 15th, a \$200,000 matching grant will be triggered enabling the project to proceed.
- 7. **Greater-than-local interest:** While LAMI's educational programs serve regional youth, the Los Angeles Harbor is an international tourist destination. Additionally, the vessels participate in tall ship festivals throughout California.
- 8. **Sea level rise vulnerability:** The proposed project is for the restoration of the *Swift of Ipswich*, an ocean going tall ship. It is not by nature vulnerable to sea level rise. However, the retrofit of the *Swift* will bring it into compliance as a commercial vessel, which entails adherence to modern safety standards. The Swift is docked in the Port of Los Angeles. The issue of sea level rise is not yet covered in the certified Port Master Plan (PMP), but the Port in in the process of developing an amendment to the PMP that incorporates adaptation to sea level rise.

Additional Criteria

- 9. **Urgency:** LAMI has secured a commitment for a matching grant of \$200,000 that expires on December 15th, 2018. The matching grant is contingent on LAMI securing this proposed grant augmentation from the Conservancy.
- 10. Leverage: See the "Project Financing" section above.
- 11. **Readiness**: The grantee is prepared to quickly resume and complete the project.
- 12. **Realization of prior Conservancy goals**: See "Project History" above.

CEQA COMPLIANCE:

Restoration and operation of the *Swift* at the Port of Los Angeles is categorically exempt from the provisions of the California Environmental Quality Act (CEQA) under the following section of 14 Cal. Code of Regulations:

Section 15301. Existing Facilities

The restoration of the *Swift* is categorically exempt from the requirements of the California Environmental Quality Act (CEQA) under 14 Cal. Code of Regulations Section 15301 because it consists of the repair of an existing facility, structure, or mechanical equipment not involving significant expansion of existing use.

Upon approval by the Conservancy, staff will file a Notice of Exemption